

**Testimony of
Ronald Methier
Chief, Air Protection Branch of the Georgia Environmental Protection Division
on behalf of the
State and Territorial Air Pollution Program Administrators (STAPPA)
and the
Association of Local Air Pollution Control Officials (ALAPCO)
on the Benefits and Costs of Multi-Pollutant Legislation
before the
Senate Environment and Public Works Committee**

June 12, 2002

Good morning, Mr. Chairman and members of the Committee. I am Ronald Methier, Chief of the Air Protection Branch of the Georgia Environmental Protection Division. I am testifying today on behalf of STAPPA – the State and Territorial Air Pollution Program Administrators – and ALAPCO – the Association of Local Air Pollution Control Officials. I am a past President and member of the Board of Directors of STAPPA and currently serve as Co-Chair of the STAPPA/ALAPCO Energy Committee. STAPPA and ALAPCO are the national associations of air quality officials in 54 states and territories and over 165 major metropolitan areas across the country. The members of STAPPA and ALAPCO have primary responsibility under the Clean Air Act for implementing our nation’s air pollution control laws and regulations and, moreover, for achieving and sustaining clean, healthful air for our citizens. Accordingly, we are pleased to have this opportunity to provide our perspectives regarding the benefits and costs of multi-pollutant legislation.

Over the past three decades, since authorization of the first federal Clean Air Act, the United States has made significant progress in reducing air pollution, while, at the same time, experiencing strong economic growth. In fact, since 1970, Gross Domestic

Product has increased by 158 percent, energy consumption by 45 percent and vehicle miles traveled by 143 percent. Notwithstanding this progress, our nation continues to face substantial public health and environmental problems as a result of emissions into our air.

According to EPA's *Latest Findings on National Air Quality: 2000 Status and Trends* (September 2001), more than 160 million tons of pollution are still emitted into the air each year. Approximately 121 million people still reside in areas that exceed at least one of the six health-based National Ambient Air Quality Standards, including over 80 million in areas that monitor violations of the new eight-hour ozone standard and 75 million in areas that, based on the most current monitoring data available, violate the new fine particulate matter (PM_{2.5}) standard (when monitoring for PM_{2.5} is complete, even more areas may be found to exceed this standard); millions more live in areas where hazardous air pollutants continue to pose a serious and pervasive health threat; and many regions of the country experience significant visibility impairment that obscures our beautiful vistas.

Electric utilities are one of the most significant sources of the harmful air emissions that contribute to all of these problems. Nationally, these sources are responsible for 64 percent of annual sulfur dioxide (SO₂) emissions, which contribute to acid rain and the formation of PM_{2.5}. Their emissions also account for 26 percent of oxides of nitrogen (NO_x) emissions, which are not only a precursor to ground-level ozone, but also a contributor to such public health and welfare threats as secondary PM_{2.5}, acid rain, eutrophication of water bodies and regional haze. Further, it is important to

note that in some areas of the country, power plant contributions to SO₂ and NO_x levels are considerably higher. In addition, electric utilities are responsible for 37 percent of U.S. carbon dioxide emissions (EPA's *Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-1998*, April 2000).

Add to this list of emissions no less than 67 hazardous air pollutants (HAPs) – including nickel, arsenic and dioxins – which power plants also emit in substantial quantities (EPA's *Study of Hazardous Air Pollutant Emissions from Electric Utility Generating Units – Final Report to Congress*, 1998). The persistent and bioaccumulative nature of mercury makes it of particular concern relative to aquatic ecosystems, where it can contaminate aquatic life and pose a serious threat to humans who consume the contaminated species. Based on just such a threat, over 40 U.S. states and territories have issued fish consumption advisories for mercury for some or all water bodies in their jurisdictions.

The magnitude of emissions from power plants, and the serious public health and welfare implications these emissions have, make controlling electric utilities a top priority. Fortunately, there are tremendous opportunities for doing so in a very cost-effective manner. Our nation's electricity generation infrastructure is aged, comprised of many 30-, 40- and 50-year-old plants that continue to operate without modern pollution control technology. Among the most important steps Congress can take to address air pollution is to establish a comprehensive national multi-pollutant approach for cleaning up outdated power plants and ensuring that new plants are dramatically cleaner.

STAPPA and ALAPCO endorse the concept of a comprehensive strategy for reducing emissions from electric utilities and, to that end, recently adopted a set of principles upon which we believe a viable multi-pollutant approach should be based. I have attached a copy of these principles to my testimony.

Our associations believe that a multi-pollutant strategy for controlling power plants should address all significant emissions from electric power generation. If properly structured, such an approach can increase and accelerate protection of public health and the environment, reduce pollution more cost-effectively than incremental approaches and offer greater certainty to both industry and regulators.

STAPPA and ALAPCO call for this integrated approach to be based on an expeditious schedule that will allow us to reduce emissions as rapidly as we can, and certainly prior to the time that states and localities are required to meet health-based air quality standards. In addition, to ensure steady progress toward the final compliance deadline, interim deadlines should be established, with the first interim compliance requirements taking effect quickly.

Further, a multi-pollutant approach should supplement, not supplant, provisions of the existing Clean Air Act. We believe programs such as New Source Review (NSR), regional haze and Maximum Achievable Control Technology standards for utilities must be retained. I will elaborate a bit more on NSR in a moment.

A viable multi-pollutant approach will also establish the most stringent enforceable national emission reduction goals feasible by capping emissions at levels that reflect the installation of technology no less stringent than best available controls on all existing units nationwide, with existing power plants required to meet a minimum level of control by the final compliance deadline.

STAPPA and ALAPCO further believe that in meeting these emission goals, the regulated community should be afforded flexibility, including an emissions trading mechanism with appropriate limitations and protections against any adverse health or environmental impacts. If emissions allowances are required under a multi-pollutant approach, then they should be allocated equitably, and provisions for allocating to new sources should be established. Additionally, sources should be encouraged to reduce emissions as soon as possible and, to the extent early reduction credits are provided for, the use of such credits should be appropriately limited.

On the matter of NSR, as I just mentioned, STAPPA and ALAPCO believe firmly that power plants – both new and existing – must continue to be subject to NSR requirements. Over the past eight years, our associations have been actively engaged on the issue of NSR and NSR reform and have a lengthy and very detailed record of comments in this regard. In our recently adopted multi-pollutant principles for power plants, we address the topic of NSR for power plants in particular.

Specifically, STAPPA and ALAPCO believe that current NSR requirements for new sources should remain intact, including, among others, those related to the

installation of control technology (i.e., the state-of-the-art Lowest Achievable Emission Rate in nonattainment areas and Best Available Control Technology in attainment areas), the acquisition of offsets in nonattainment areas and the protection of air quality increments to guard against adverse local air quality impacts in attainment areas. Further, while certain NSR reforms for existing sources are definitely in order, such sources making major modifications to existing units should be required to install the best available controls on affected units at the time of the modification, acquire any emissions allowances required to address emission increases and ensure against adverse local health or environmental impacts.

In addition, a multi-pollutant approach to reducing emissions from power generation should strongly encourage the most efficient use of any fuel used as input to electric generation or process energy sources, as well as energy efficiency, energy conservation and renewable electric energy. Further, it should support efforts to develop and deploy consistent approaches for distributed resources to mitigate the impacts of small units not otherwise covered by a national multi-pollutant strategy.

Finally, a viable multi-pollutant strategy will ensure that regions, states and localities retain their authority to adopt and/or implement measures – including local offset requirements – that are more stringent than those of the federal government.

As our nation approaches the issue of a multi-pollutant strategy for one of our most significant sources of air emissions, we should do so in a way that institutes an appropriately rigorous emissions reduction scheme on a timely schedule and compels the

use of state-of-the-art technology, commensurate not only with the substantial contribution of power plants to our nation's continuing air quality and public health challenges, but also with the level of reductions we will garner from new regulatory programs addressing other big-emitting sources, like passenger cars and heavy-duty diesel engines. Our goal should be to reap every potential benefit that we can so that we are able to ensure both an adequate energy supply and clean, healthful air. Mr. Chairman and members of the Committee, STAPPA and ALAPCO look forward to working with you and others as we, collectively, consider alternatives for accomplishing this goal. Once again, on behalf of our associations, thank you for this opportunity to present our views on a multi-pollutant strategy for controlling power plant emissions.